



The Secretary for Health Services

COMMONWEALTH OF KENTUCKY
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PAUL E. PATTON
GOVERNOR

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SECRETARY

February 6, 2003

Pharmacy Provider Letter #A-457

Dear Pharmacy Provider:

As was previously outlined in the November 22, 2002 provider letter, a Point of Sale edit to cost avoid Medicare Part B covered medications will be implemented. This edit will take effect on March 1, 2003. The edit will ensure that Medicaid does not pay for Medicare-covered drugs. Those services, which Kentucky Medicaid recognizes as routinely covered by Medicare, will deny if first submitted to Medicaid. In this letter you will find:

- Information on how to become a Medicare Part B provider;
- A list of Medicare Part B drugs that must be billed to Medicare;
- A copy of the MAP – 20C paper form used to bill pharmacy claims to Medicaid;
- A copy of the updated MAP-82001 Prior Authorization Form to be used when the drug is not for a Medicare covered use or the member is not enrolled in Medicare Part B.

For recipients enrolled in Medicare, Medicare is the primary payor and claims must be adjudicated (paid or rejected) by Medicare prior to being submitted to the Department for Medicaid Services (DMS). Providers must accept assignment of Medicare benefits in order for DMS to assume any liability. Medicare Part B coverage is indicated on the recipient's Medicaid Card.

In order to bill DMS for a Medicare enrolled recipient, pharmacies must be enrolled with Medicare. For information on how to enroll in the Medicare Program, contact the National Supplier Clearinghouse at 1-866-238-9652. For more information, see the November 22, 2002 Provider Letter (#455) which outlined the process. Remember, your pharmacy's Medicare Provider Identification Number (PIN) must be on file with DMS in order for claims to cross over, allowing Medicaid to cover any copayment and deductible. If you have not done so already, please send your Medicare PIN to the following address:

KENTUCKY MEDICAID
Provider Enrollment
P.O. Box 2110,
Frankfort, Kentucky 40602-2110
Fax# - 502-226-1898

"...promoting and safeguarding the health and wellness of all Kentuckians."



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An error message "OUR RECORDS INDICATE RECIPIENT HAS MEDICARE PART B, PLEASE BILL MEDICARE" will be reported on the remittance advice for each service submitted on a claim for the Medicare covered drugs identified by DMS that have not been adjudicated by Medicare. In addition, the NCPDP error message "Submit to Other Processor or Primary Payor" will appear through the pharmacy POS system. A list of these drugs by HCPCS code is attached and can also be found on the DMS website (<http://chs.state.ky.us/DMS/>) under the heading "Pharmacy Program."

For products that are not Medicare covered due to indication or where the patient does not meet Medicare coverage criteria, please use the attached MAP-20C form to bill Medicaid. To ensure payment by Medicaid, a copy of the Medicare EOB must be attached showing denial of coverage.

To obtain an override against future edits for that product, please fill out the attached Drug Prior Authorization Request Form (MAP-82001) and fax it to the Prior Authorization Unit (1-866-863-8803) along with a copy of the Medicare EOB denying coverage.

If the situation arises where the Member does not currently have Medicare Part B coverage, or it is shown that the drug will be given for an indication not approved by Medicare, please fax in the MAP-82001 form to the Prior Authorization Unit for an override by drug. Overrides may be given when:

- The recipient does not have Medicare Part B;
- The recipient is taking the drug for an indication that is not covered by Medicare;
- Medicare denies the drug because it does not meet Medicare coverage criteria;
- Other situations will be considered on an individual basis.

A copy of the denied Explanation of Medicare Benefits will be required in order to verify Medicare denial and ensure payment by Medicaid.

Questions regarding this notice should be directed to Provider Relations (1-800-807-1232) or the Prior Authorization Help Desk (1-800-807-1273).

Sincerely,

Marcia R. Morgan
Secretary